

CUMBY TELEPHONE COOPERATIVE, INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For the Years Ended December 31

	<u>2014</u>	<u>2013</u>
Net Margin		
Other Comprehensive Income:		
Unrealized holding gain-(loss) arising during period		
Income tax		
Less: Reclassificaton adjustment for prior year unrealized (gains) losses		
Income Tax		
Total unrealized holding (loss) gain adjustment		
Postretirement benefit gain emerging		
Amounts reclassified from accumulated other comprehensive income		
Income tax		
Total Pension and Post-Retirement Benefit Adjustment		
Other Comprehensive Income		
Comprehensive Income		

(The accompanying notes are an integral part of these consolidated financial statements.)

CUMBY TELEPHONE COOPERATIVE, INC.
CONSOLIDATED STATEMENTS OF CHANGES IN MEMBERS' EQUITY
For the Years Ended December 31

	<u>Retained</u> <u>Margin</u>	<u>Patronage</u> <u>Capital</u>	<u>Accumulated Other</u> <u>Comprehensive</u> <u>Income</u>	<u>Total</u>
Balance, January 1, 2013				
Net margin				
Retirements and other changes				
Federal excise tax refund				
Other comprehensive income				
Balance, December 31, 2013				
Net margin				
Retirements and other changes				
Federal excise tax refund				
Other comprehensive income				
Balance, December 31, 2014				

(The accompanying notes are an integral part of these consolidated financial statements.)

CUMBY TELEPHONE COOPERATIVE, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the Years Ended December 31

	<u>2014</u>	<u>2013</u>
Cash Flows from Operating Activities:		
Net margin		
Adjustments to reconcile net margin to		
net cash provided by operating activities:		
Depreciation		
Gain on sale of securities		
Gain on sale of equipment		
Amortization of premium		
Change in assets and liabilities:		
Accounts receivable		
Inventory held for sale		
Prepays		
Accounts payable and accruals		
Deferred income tax		
Total Adjustments		
Net Cash Provided by Operating Activities		
Cash Flows from Investing Activities:		
Proceeds from sales of plant		
Capital expenditures		
Investment in certificates of deposit		
Investment in marketable securities		
Proceeds from marketable securities		
Net Cash Used in Investing Activities		
Cash Flows from Financing Activities:		
Receipt of memberships		
Payment of capital credits		
Net Cash Used in Financing Activities		
Net Increase in Cash and Cash Equivalents		
Cash and Cash Equivalents at Beginning of Year		
Cash and Cash Equivalents at End of Year		

(The accompanying notes are an integral part of these consolidated financial statements.)

CUMBY TELEPHONE COOPERATIVE, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2014

Note 1 – Description of Operations and Summary of Significant Accounting Policies:

Basis of Presentation



Cost Method Investments



CUMBY TELEPHONE COOPERATIVE, INC.
 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
 December 31, 2014

Note 1 – Description of Operations and Summary of Significant Accounting Policies: (continued)

[REDACTED]

Property, Plant, and Equipment

[REDACTED]

Intangible Assets

[REDACTED]

Internal Use Software

[REDACTED]

Income Taxes

[REDACTED]

CUMBY TELEPHONE COOPERATIVE, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2014

Note 1 – Description of Operations and Summary of Significant Accounting Policies: (continued)



Revenue Recognition



CUMBY TELEPHONE COOPERATIVE, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2014

Note 1 – Description of Operations and Summary of Significant Accounting Policies: (continued)

Postretirement Benefits Other Than Pension

[REDACTED]

Comprehensive Income

[REDACTED]

Advertising

[REDACTED]

Accounts Receivable

[REDACTED]

Materials and Supplies

[REDACTED]

Patronage Capital

[REDACTED]

Cash and Cash Equivalents

[REDACTED]

CUMBY TELEPHONE COOPERATIVE, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2014

Note 1 – Description of Operations and Summary of Significant Accounting Policies: (continued)

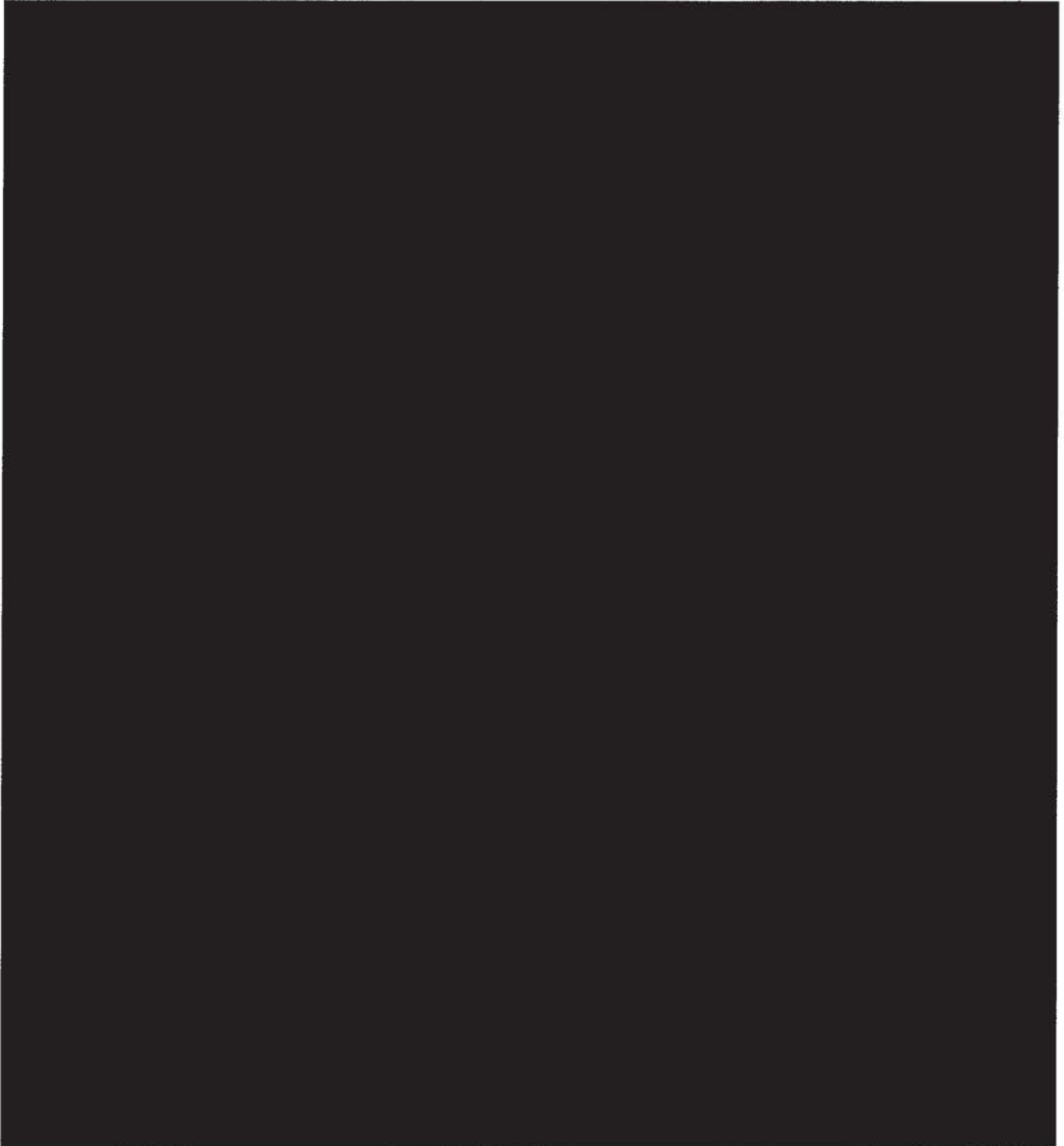


Note 2 – Marketable Securities and Other Cost Method Investments:



CUMBY TELEPHONE COOPERATIVE, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2014

Note 2 – Marketable Securities and Other Cost Method Investments: (continued)



CUMBY TELEPHONE COOPERATIVE, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2014

Note 2 – Marketable Securities and Other Cost Method Investments: (continued)



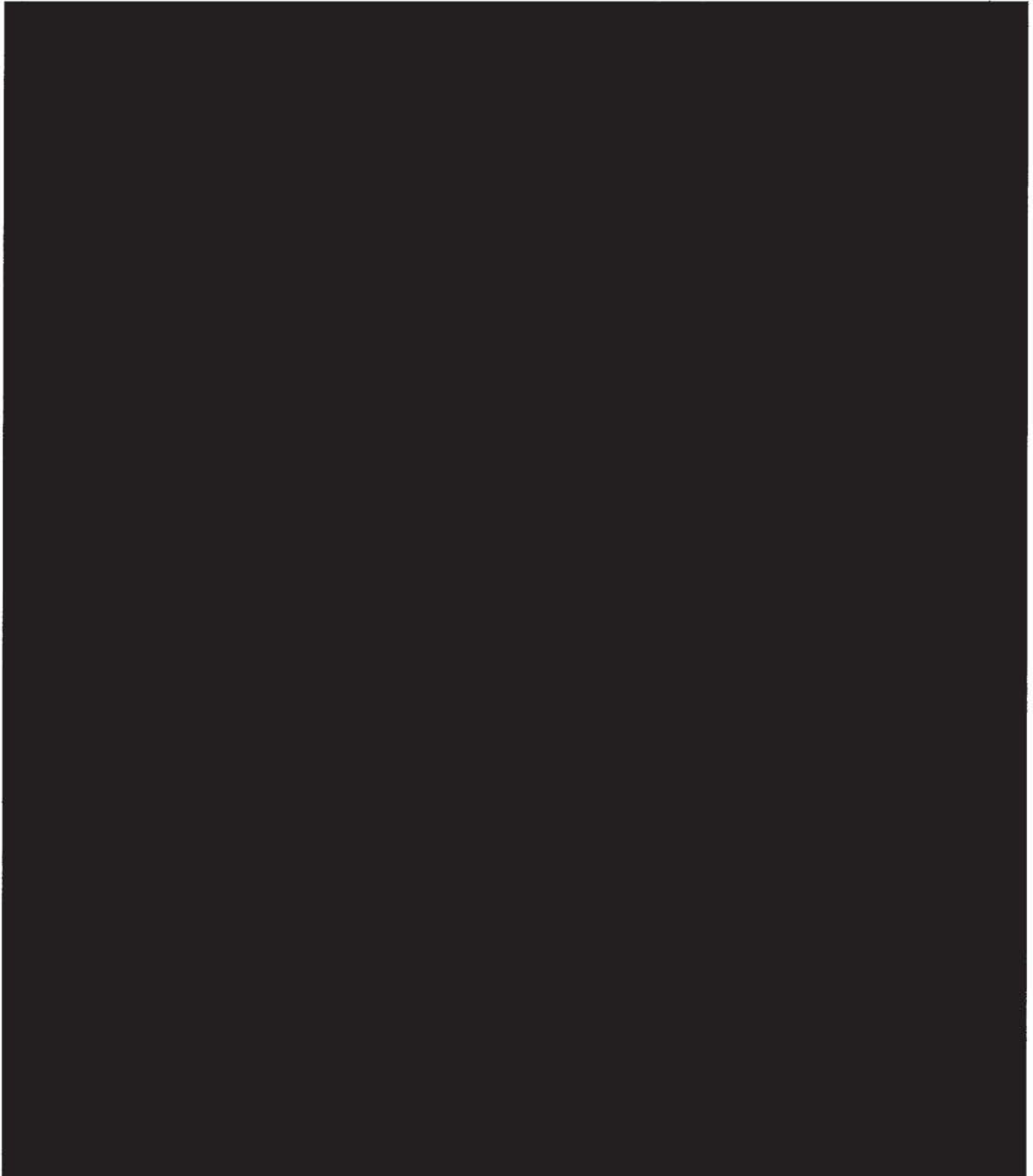
CUMBY TELEPHONE COOPERATIVE, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2014

Note 5 – Accumulated Other Comprehensive Income:



CUMBY TELEPHONE COOPERATIVE, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2014

Note 5 – Accumulated Other Comprehensive Income: (continued)



CUMBY TELEPHONE COOPERATIVE, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2014

Note 6 – Income Taxes:



CUMBY TELEPHONE COOPERATIVE, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2014

Note 7 – Employee Benefits: (continued)



CUMBY TELEPHONE COOPERATIVE, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2014

Note 7 – Employee Benefits: (continued)



CUMBY TELEPHONE COOPERATIVE, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2014

Note 7 – Employee Benefits: (continued)



CUMBY TELEPHONE COOPERATIVE, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2014

Note 9 – Concentrations: (continued)



SUPPLEMENTARY INFORMATION

**CUMBY TELEPHONE COOPERATIVE, INC.
COMPARATIVE BALANCE SHEETS
December 31**

Assets



SUPPLEMENTARY INFORMATION - See Independent Auditor's Report.

CUMBY TELEPHONE COOPERATIVE, INC.
COMPARATIVE BALANCE SHEETS
December 31

Liabilities and Equity



CUMBY TELEPHONE COOPERATIVE, INC.
COMPARATIVE STATEMENTS OF OPERATIONS
For the Years Ended December 31



SUPPLEMENTARY INFORMATION - See Independent Auditor's Report.

CUMBY TELEPHONE COOPERATIVE, INC.
COMPARATIVE STATEMENTS OF CASH FLOWS
For the Years Ended December 31



SUPPLEMENTARY INFORMATION - See Independent Auditor's Report.